ABC NIGHTLINE
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KOPPEL: As we've noted, this latest episode in the conflict between the United States and Nicaragua began yesterday when Nicaragua ordered those three U.S. diplomats expelled and accused them of aspiring to assassinating high level Nicaraguan officials. Nightline correspondent Jack Smith brings us up to date on what happened today.

SMITE: The day's events began as the three U.S. diplomats expelled for allegedly trying to poison Nicaraguan officials arrived back in Washington at mid afternoon. Embassy Second Secretary \*Armelo Rodriguez, accused by the Nicaraguans of directing the alleged plot. Counselor Linda \*Pfifel who was supposed to have trained Nicaraguan conspirators and political officer David \*Greeg, who the Nicaraguans claim was CIA station chief in Managua. Over at the State Department, U.S. officials continue to reject the Nicaraguan charge as absurd, and this they responded. Nicaragua's new ampassador here, Antonio "Juaquen was summoned to the State Department at 3:00 and ordered to close all of Nitaragua's six consulates in the United States. Niceraguan consulate in New York must shut down tomorrow, so must the consulates in San Francisco, Miami, New Orleans, Los Angeles and Houston. The consuls must leave immediately, their staffs by Friday, a total of 21 diplomats for the three U.S. diplomats Nicaragua expelled yestreday. Early this evening the Nicaraguans began to react. In New York, Nicaragus's U.S. ambassador told a news conference relations with the U.S. had deteriorated to the point where war in Central America was a possibility. JAVIER CHAMORRO (Nicaraguan Amb to UN): We believe that the greatest efforts must be made to avoid confrontation. For our part we believe that the current policy of the North American administration bringing Central America in inaudible) to the possibility of war.

SMITE: As all of this was happening today, the House Foreign Affairs dealt a blow to administration policy in Central America. The action is not expected to survive the full House and Senate, but by 20 to 14, the committee voted to deny funds for the administration's covert operation that keeps as many as 7,000 guerrillas inside Nicarague fighting the Sandinists government there. The administration says the guerrillas are stopping communist arms from entering El Salvador. The committee majority today disagreed. REP. GERRY STUDDS (D-Mass.): It has nothing whatever to do with interdiction of arms, and they are actively seeking to trigger a civil war in which thousands of innocent people seem certain to die. REP. HENRY HYDE (R-111.): Why do we keep making the hemisphere safe for Russians and communism? We do it again and again in the name of enlightened foreign policy. It boggles the mind. SMITH: With Central America heating up at home and abroad, the administration's new ambassador at large to the region, Richard Stone, tonight is in Central America. arrives in Nicaragua Friday for the first talks the U.S has had with the Nicaraguan government in nearly two years, but at a time when relations seem almost beyond repair. This is Jack Smith for Nightline in Washington.

KOPPEL: With us now live from Capitol Hill is Republican Congressman Gerald Solomon of New York, a member of the House Foreign Affairs Committee. He voted today against cutting of funds for covert aid to rebels in Nicaragua, saying the alternative might mean direct military involvement. And from our bureau in Hiami, Wavne Smith who was chief of the U.S. \*Introsection in Havana from 1979 to 1982, and resigned because he disagreed with Reagan administration policy in Latin America. Ambassador Smith, it was that policy that caused you to resign about a year ago. What we seem to have now is much more of the same. Are you concerned by what seems to be an almost unstoppable

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